GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:404
ANSWERED ON:03.05.2007
INDO IRAN GAS PIPELINE PROJECT
Adhalrao Patil Shri Shivaji;Thomas Shri P.C.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether some countries are pressurising and advising India to withdraw itself from the Indo-Iran gas pipeline project;

(b) if so, the details thereof and the reasons therefor;

(c) the reaction of the Government thereto; and

(d) the present status of the said project alongwith the discussions held with the participating countries?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d): A statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 404 BY SHRI SHRI P.C. THOMAS AND SHRI ADHALRAO PATIL SHIVAJIRAO, MPs TO BE ANSWERED ON May 3, 2007 REGARDING INDO-IRAN GAS PIPELINE PROJECT

(a) to (c): During visit of US Secretary of State Dr. Condoleezza Rice to India in March 2005, she informed the media that the US had conveyed its concerns on the proposed gas pipeline cooperation between India and Iran. The US legal position on this issue flows from its Iran- Libya Sanctions Act (ILSA) of 1996 that provides for the imposition of sanctions against foreign companies that make an investment of more than US $ 20 million in one year in Iran`s energy sector. The Government is pursuing the import of natural gas from Iran in national interest in order to meet the energy requirements of the country. During the recent meeting between Mr. Samuel W. Bodman, US Secretary of Energy with Minister (Petroleum & Natural Gas), he was informed that India was free to pursue its energy option with any country and would act independently to pursue its interest.

(d): India is pursuing import of natural gas from Iran through Iran-Pakistan-India gas pipeline project. Two Secretary level Joint Working Groups namely India-Pakistan Joint Working Group and India-Iran Special Joint Working Group have been constituted for discussing the various issues involved. Four India-Pakistan JWG meetings and three India-Iran Special JWG meetings have been held so far. Subsequently, the issues are being discussed in the trilateral Iran, Pakistan and India Joint Working Group meetings. Four Iran-Pakistan-India Tripartite meetings have been held. The 4th Tripartite Meeting of the JWG was held at Tehran on 24th & 25th January, 2007. In the above meeting, the final report of the consultant was discussed. The gas price formulation at the Iran-Pakistan border was agreed between Iran and Pakistan, subject to approval by their respective Governments. India was required to indicate acceptance in four weeks time. Suitable communication has been sent to Iran on 28.2.2007.

The 4th bilateral JWG Meeting between India and Pakistan was held at Islamabad on 22nd & 23rd Feburary, 2007 to finalise the transportation cost and transit tariff within Pakistan, It was decided to hold further discussions on the subject matter. The technical subgroup meeting between Pakistan and India was held at New Delhi on 22nd & 23rd March, 2007. Discussions were held on the technical issues, Transit Fee & Transportation Cost. It was decided to hold the JWG meeting to continue the discussions.